Welcome to our financial management seminar focusing on six steps to financial success. We're glad that you could join us here today.

Before we get started, I'd like to introduce myself and my company.

[Note to presenter: Give a brief personal background, then talk about your organization and give its location. If appropriate, introduce other members of your organization who are in the room and discuss any housekeeping issues.]

Are you making smart decisions with your money that will help you accomplish your future goals?

Sound financial management is a process that begins with your first paycheck and continues through each stage of life. Every decision you make about money today forms the foundation for your financial future.

We've developed a six-step plan to help you achieve financial success — six steps that can take you from where you are now to where you want to be. They are designed to help you:

- Protect what you have
- Take control of your cash flow
- Invest wisely
- Manage your taxes
- Save for retirement
- Leave a legacy

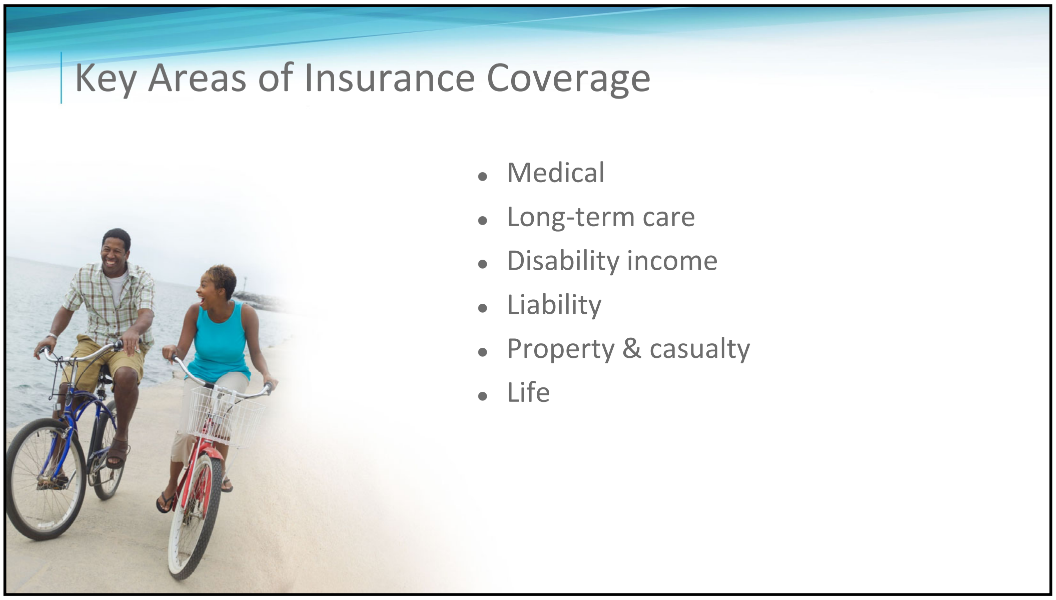
Let’s start with the first step: protect what you have.

Many individuals attempt to achieve financial success without protecting what they already have.

That can be a mistake.

A well-designed risk management program can help protect you in the event of a disaster without burdening you with payments for protection you don’t really need.

The following information regarding insurance is for educational purposes only. Please consult the appropriate professional for specific questions.



You may be concerned about having insurance protection for life's challenges, but you may not know exactly how much coverage you need.

In order to be adequately insured, you should consider six key areas of insurance coverage: medical, long-term care, disability income, liability, property and casualty, and life insurance.

Even if you have group insurance through your employer, it may not be sufficient for your family's needs. And if you ever were to leave your job, you would also lose coverage. That's why you may want to consider purchasing individual policies to enhance or supplement your group insurance coverage.

There isn't time available today to go through all six areas in any detail, so we'll focus briefly on some things we all have in common: the need for health insurance and life insurance.

[Note to presenter: Modify this slide if changes have been made to the health insurance marketplace, coverage options, and/or subsidies.]

If you don't have health coverage through an employer and are not eligible for a government plan such as Medicare, you can check out health insurance plans on the Health Insurance Marketplace, also known as the Health Insurance Exchange.

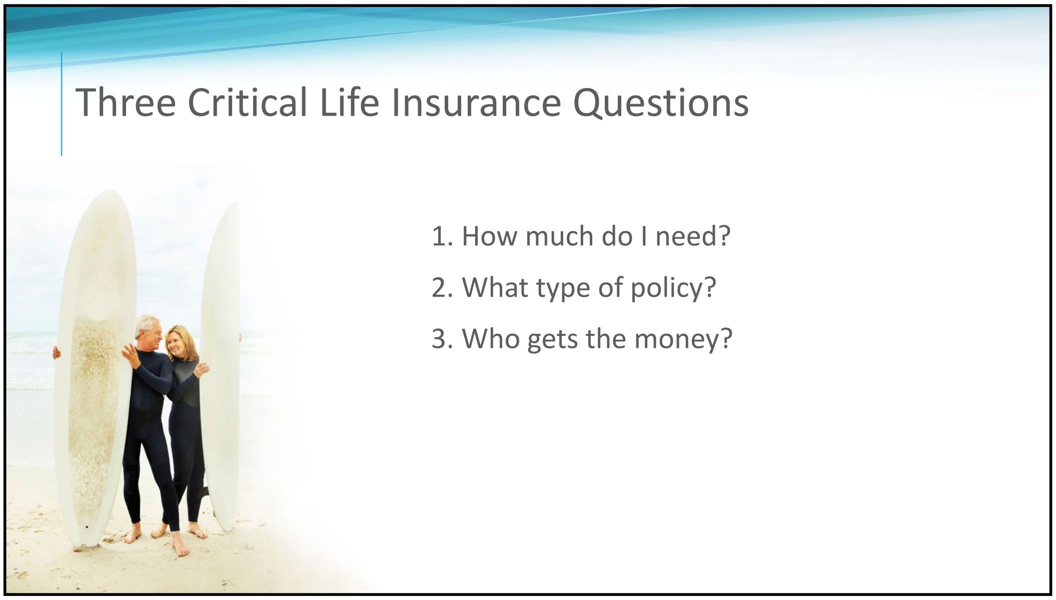
Through this one-stop health insurance outlet, you can:

- Compare private health plans based on coverage options, deductibles, and cost
- Find answers to questions about coverage options and eligibility
- Enroll in the plan that best meets your needs
- Claim a subsidy (if you qualify)

All marketplace plans are offered by private companies and must cover a set of 10 essential benefits, such as hospitalization, physician visits, prescription drugs, maternity care, and mental health care.

Plans are grouped by tier, based on the percentage of expected health-care costs the plan is designed to pay: bronze (60% of the actuarial value of expenses), silver (70%), gold (80%), and platinum (90%). Premiums vary within each tier, as do the deductibles, copays, and coinsurance rates.

Open enrollment for 2021 marketplace plans ran from November 1 through December 15, 2020. If you didn't enroll by December 15, 2020, you cannot enroll in a Health Insurance Marketplace plan for the rest of 2021 unless you qualify for a special enrollment period (SEP). President Biden reopened HealthCare.gov enrollment for a special enrollment period to run until May 15, 2021; the deadline was later extended through August 15, 2021, due to the American Rescue Plan. You can learn about your options on the government's official website, *HealthCare.gov*.



Although most people prefer not to think about dying, death is inevitable, so having adequate life insurance protection can be a major concern for families.

When you consider your life insurance coverage, you need to ask yourself three critical questions.

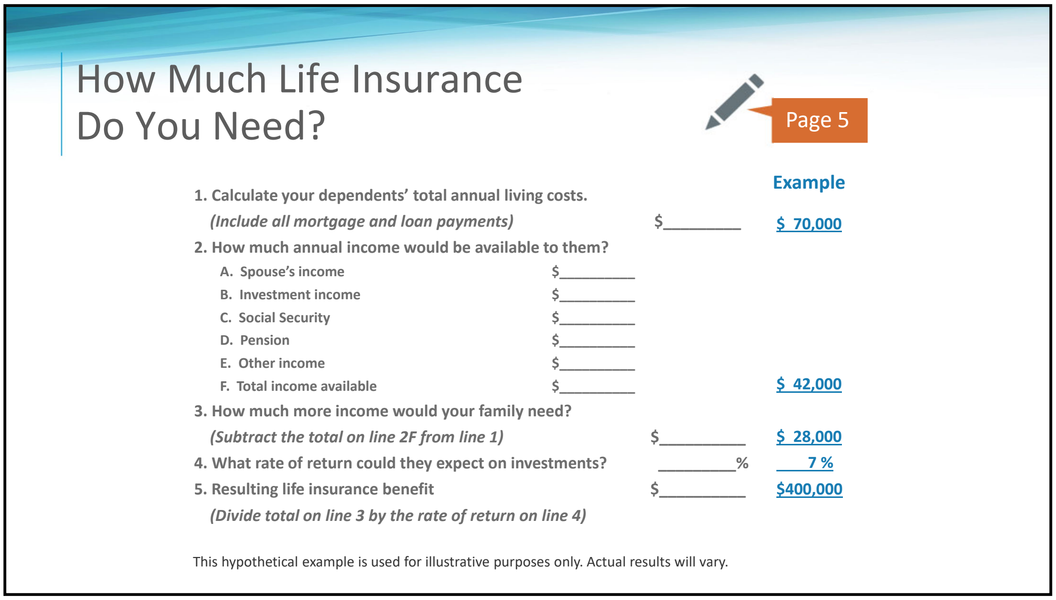
First is “How much life insurance do I need?” It’s not quite as simple as calculating two to five years of your annual salary — or even 10 years. It’s important to do an in-depth analysis of your situation, taking into account your family’s lifestyle, future needs, and other sources of income.

Second is “What type of policy will meet my family’s needs?” Would I be best served by term insurance, or should I buy a permanent life insurance policy?

And third, “Who will get the money upon my death?” Should the benefit pass directly to my heirs, or do I want it to accomplish other goals? Is it important to keep the benefit outside of my taxable estate?

A financial professional can help you address these concerns.

Remember, the cost and availability of life insurance depend on factors such as age, health, and the type and amount of insurance purchased. Before implementing a strategy involving life insurance, it would be prudent to make sure that you are insurable.



How much life insurance do *you* need? To help answer this question, let's turn to page 5 in your workbook.

[Note to presenter: Pause to give participants time to turn to the correct page.]

This worksheet will help you determine how much life insurance your family would need in order to maintain its lifestyle in your absence.

Let's go through a hypothetical example together so you can see how it works.

Imagine a 45-year-old couple with two children. Their annual living expenses — including mortgage payments, other loans, and taxes — are about $70,000. That number goes on line 1.

The surviving spouse would have access to a few alternative income sources, which add up to $42,000 a year. That number goes on line 2F.

By subtracting $42,000 from $70,000, we can see that the surviving spouse will be approximately $28,000 short each year. That number goes on line 3.

To estimate how much capital it would take to provide $28,000 in additional annual income for an indefinite number of years, we first need to estimate the return this family might be able to expect on a hypothetical investment portfolio. For this example, we'll say 7 percent. That number goes on line 4.

Finally, we need to know the amount of principal, or life insurance, they would need to invest at 7 percent to generate an annual income of $28,000. To do this, we divide $28,000 by 7 percent, which results in $400,000. That's how much life insurance this family would need to maintain its comfortable lifestyle for the long term. Does everyone see how this works?

Of course, if additional funds are needed for specific expenses, such a child's college education, that amount can be added to the figure on line 5.

You can complete this worksheet at home to estimate your own family's needs, or we can work on it together during the complimentary consultation.